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Sen. Brown questions governor's decision not to use budgeted funds for gas station inspections as prices soar

LANSING – With gas prices escalating, state Sen. Cameron S. Brown, R-Fawn River Township, today called on the governor to honor the budget commitment to step up gas station fuel-pump inspections that could save Michigan motorists \$300 million.

Recently, Gov. Jennifer Granholm declared the week of March 1-7 “Weights and Measures Week” in Michigan. In her declaration, the governor cited the importance of the state's role in ensuring Michigan's families and businesses are protected from fraud.

However, when the Michigan Legislature allocated \$1.33 million to hire additional gas station inspectors the Granholm administration put the use of that money on hold and refused to step up inspections.

“It is wrong to declare a ‘Weights and Measures Week,’ while at the same time not use appropriated funds designated for gas-pump inspections,” said Brown, chair of the Senate Appropriations Agriculture Subcommittee. “There was a reason we bolstered the funds to provide enhanced statewide inspection, and that reason is all the more acute now that prices are spiking. The governor's inaction on the budget commitment doesn't add up.”

Compliance inspections are conducted by the Michigan Department of Agriculture. The department recently announced that gas station inspections will only be conducted on a complaint basis.

The MDA's “May Day to Labor Day” project, requested by the governor, found that 29 percent of gasoline sold in Michigan failed to meet quality standards and that 12 percent of gas stations fell short of gas quantity standards. The project included a sweep of 953 stations.

According to the MDA, Michigan gas-pump compliance rates are 71 percent for quality and 88 percent for quantity, compared to the national standard of approximately 95 percent.

The most common quality violations include selling lower octane gas as high octane gas, and having unacceptable amounts of water or sediment in gasoline. Typically, quantity violations occur when consumers are shorted the amount of gas they pay for. If just 10 percent of Michigan gas stations shorted two table spoons of gasoline from every gallon they sold each year, consumers would be overcharged \$24 million.

It is estimated that the current compliance rates cost Michigan consumers more than \$300 million a year.

“As the Agriculture Subcommittee Chair, I fought hard to find funds to increase inspections during a very challenging budget cycle, and now the money sits idle,” Brown said. “We must match our budgetary commitment with follow through and action.”

According to *The Kiplinger Letter*, gas prices are projected to hit \$2.50 a gallon this summer.

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